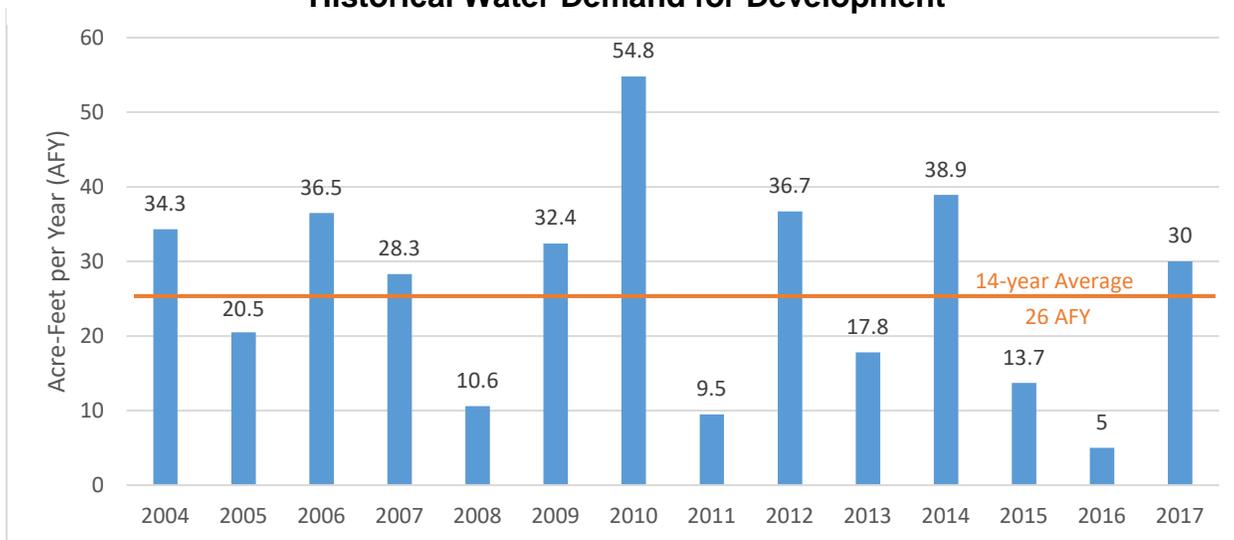


Analysis of Water Use for Development

During an average pre-drought year, the City's water demand is 14,600 acre-feet per year (AFY). Currently, the City is in a Stage Three Drought Condition, with projected annual demands of approximately 10,620 AFY (70% of average pre-drought potable demand, plus some recycled water use). On average, development represents approximately 0.24% of the City's drought water demand projection, or 26 AFY. This is based on City data on water use from new development projects over the last 14 years, as described below and shown in the chart below. The General Plan Update Final Environmental Impact Report (FEIR) anticipated an added demand of 722 AFY for new development by the year 2030, or an average of 38 acre-feet each year.

City staff reviewed completed construction projects in the City from 2004-2017, and found that an average of 26 AFY of new water demand went online each year (as determined by issuance of a certificate of occupancy for the project). Although the number varied greatly from one year to another (ranging from 5 to 55 AFY), this time period captured a development boom as well as a recession, and should serve as a realistic average in gauging development over the next 5 years. Most recently, for 2016 and 2017, a total of 5 and 30 AFY, respectively, went online (average of 17.5 AFY), which is lower than the average over the last 14 years. From January through August 2018, 38.3 AFY has gone online, which is higher than average, but still within the expected range.

Historical Water Demand for Development



Looking specifically at development projects currently submitted to the City, there is a total of approximately 215 AFY attributable to new development either pending (not yet approved) or approved (building permit not yet issued). Please refer to the table below. If all pending or approved projects were constructed next year, this would represent 2.0% of the City's annual drought water demand projection (1.5% of average pre-drought year demand). These numbers represent projects that have been submitted over many years; some of these projects may never come to fruition, but it represents a maximum for purposes of estimating future water demand. If all of the projects currently in the pipeline were approved and built in the next year, it would represent 2.9% of the annual drought water demand projection (2.1% of average pre-drought year demand).

**Potential Water Demand From All Pending and Approved Development (AFY)
 By Land Use Category (as of August 30, 2018)**

	Residential	Mixed Use	Non-Residential	TOTAL
Approved (No Building Permit Issued)	42.84	28.97	25.41	97.22
Pending (Not Approved)	43.06	62.68	11.71	117.45
TOTAL	85.90	91.65	37.12	214.67

The following table identifies those projects for which a building permit has already been issued. These project approvals, which total approximately 95 AFY, would not be affected by a decision to limit further development.

**Estimated Water Demand From All Development Currently Under
 Construction (AFY) By Land Use Category (as of August 30, 2018)**

	Residential	Mixed Use	Non-Residential	TOTAL
Building Permit Issued	54.46	2.59	38.72	94.77

It is important to note that the estimated water demand from all development currently under construction is comprised of 212 projects, which are in varying stages of construction. As such, the actual water demand for those projects will be realized over the next one to two years.

If the City Council were to restrict issuance of permits for new development, it would affect up to 329 approved and pending projects, representing a potential maximum net new water demand of approximately 215 AFY, depending on the effective date of such a prohibition.

Affordable housing is a top priority for the City, and the General Plan includes policies supporting Affordable housing. Policy LG1 is to “prioritize the use of available resources capacities for additional affordable housing...over all other new development.” If development restrictions were imposed, the City Council could consider allowing a certain number/type of projects to continue moving forward, including Affordable housing and other Community Benefit Projects. There are currently three pending or approved Affordable housing projects with a total net new water demand of 22.65 AFY, which represents 11% of the total pending and approved development.